# Ethics The Lifeline of Negotiations

Farmers' Advocate Office 2015

# Land Agents Licensing Regulation

Standards of conduct of land agents:

When negotiating for or acquiring an interest in land, land agents must conduct themselves in a professional and ethical manner, and in accordance with any standards of conduct established by the Registrar.

# **Expectations for Conduct**

- Expected to establish and maintain a reputation for integrity, the most important attribute of a licensed land agent.
- Second, a land agent's conduct must be above reproach.

#### Standards of Conduct

- Uphold standards of the profession;
- Professional and courteous at all times;
- Only undertake work by virtue of their competencies;
- Carry out duties with honesty and integrity;
- Must act in "Good Faith";
- Act in client's interests any limitations imposed by Law;
- Follow applicable Statutes and Regulations;
- Not enter into situations where there is Conflict of Interest;
- Keep information confidential;

#### **Parameters**

 Personal behaviour is unlikely to be disciplined unless it is dishonourable or otherwise indicates an unsuitability to practice as a land agent.

# Legal "Yes" Ethical ??

 Making statements that leave a landowner with a sense that negotiation is useless:

"The GOA and Regulatory agencies support development, it is going to happen anyway;"

"We will just force Right of Entry to your land;"

### **Negotiation Controls**

- LALA \$17(1): "the land agent shall leave with the owner of the interest or the owners agent a completed copy of the proposed agreement...(with contact info);
- No land agent shall resume negotiations, with or accept a signed agreement from the owner or owner's agent...until at least 48 hours (does not include evenings, weekends, and stat holidays;
- NOTE: The clock does not start timing ... Until after the agreement is left with the landowner, not just initial conversations and discussions about the project. Landowner can waive his right to 48 hr waiting period.

#### What are Ethics??

- Rules;
- Generally accepted standards set by Societal Values;
- Baseline social concepts for Right and Wrong;
- Social concept of "Fairness";
- While something may be "legal" it may not always be considered "ethical";

# Gray Areas of Ethics in Negotiations

- Placing strict timing considerations on landowners; that do not allow them time to prepare or research;
- Threatening to withdraw signing bonuses if not signed within a very short time frame;
- Offering to provide funding for representation only if landowners do not retain certain companies, solicitors, or individuals;
- Binding landowners and sometimes whole families (including underage minors) to Privacy clauses in agreements;

#### **Gray Areas of Ethics**

- Advising landowners that a signing bonus will be withdrawn if they do not accept "conditions" in the contracts "as is";
- Leveraging and pitting landowners one against another; eg.
   ...We will just go around you...or your neighbor will sign.
- Statements: We will just force Entry; the Government and regulator support us, so you may as well sign, it is going to happen anyway.
- Leading landowners to believe the land agent is representing both industries and their interests.

## Gray Areas of Ethics

- Negotiating with "seniors" or other landowners who may not have the knowledge or capacity to understand what he is negotiating;
- Negotiating with vulnerable landowners that may have medical sensitivities eg. Blindness, hearing capacity issues;
- Failure of notice under Section 27 of SRA;
- Failure to honour or detail commitments of the negotiation in writing in contracts;
- Not providing full and comprehensive information and facts;
- Not being respectful of landowners timing considerations (managing their businesses;

#### Gray Ethics Cast Gray Shadows on Industry

"While it may be legal, if you surveyed just everyday Albertans ... Would they consider it ethical???"

"It is society who sets the ethical standards under "Social License"